

CHAPTER 1144  
HOTEL AND MOTEL TAX

S. F. 336

AN ACT relating to the imposition of a hotel and motel tax by a city or county and providing penalties.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. NEW SECTION. HOTEL AND MOTEL TAX. A city or county may impose by ordinance of the city council or by resolution of the board of supervisors a hotel and motel tax, at a rate not to exceed seven percent, which shall be imposed in increments of one or more full percentage points upon the gross receipts from the renting of any and all rooms, apartments, or sleeping quarters in any hotel, motel, inn, public lodging house, rooming house, or tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals except the gross receipts from the renting of sleeping rooms in dormitories and in memorial unions at all state of Iowa universities and colleges. The tax when imposed by a city shall apply only within the corporate boundaries of that city and when imposed by a county shall apply only outside incorporated areas within that county. "Renting" and "rent" include any kind of direct or indirect charge for such rooms, apartments, sleeping quarters, or the use thereof. However, such tax shall not apply to the gross receipts from the renting of a room, apartment, or sleeping quarters while rented by the same person for a period of more than thirty-one consecutive days.

A local hotel and motel tax shall be imposed on January first, April first, July first, or September first, following the notification of the director of revenue. Once imposed, the tax shall remain in effect at the rate imposed for a minimum of one year. A local hotel and motel tax shall terminate only on March thirty-first, June thirtieth, September thirtieth, or December thirty-first. At least sixty days prior to the tax being effective or prior to a revision in the tax rate, or prior to the repeal of the tax, a city or county shall provide notice by certified mail of such action to the director of revenue.

A city or county shall impose a hotel and motel tax, only after an election at which a majority of those voting on the

question favors imposition. The election shall be held at the time of that city's or county's general election.

The director of revenue shall administer the provisions of a local hotel and motel tax as nearly as possible in conjunction with the administration of the state sales tax law. The director shall provide appropriate forms, or provide on the regular state tax forms, for reporting local hotel and motel tax liability. All moneys received or refunded one hundred eighty days after the date on which a city or county terminates its local hotel and motel tax shall be deposited in or withdrawn from the state general fund.

The director, in consultation with local officials, shall collect and account for a local hotel and motel tax and shall credit all revenues to a "local transient guest tax fund" established by section two (2) of this Act.

No tax permit other than the state tax permit required under section four hundred twenty-two point fifty-three (422.53) of the Code may be required by local authorities.

The tax herein levied shall be in addition to any state sales tax imposed under section four hundred twenty-two point forty-three (422.43) of the Code. The provisions of sections four hundred twenty-two point twenty-five (422.25), subsection four (4), four hundred twenty-two point thirty (422.30), four hundred twenty-two point forty-eight (422.48) through four hundred twenty-two point fifty-two (422.52), four hundred twenty-two point fifty-four (422.54) through four hundred twenty-two point fifty-eight (422.58), four hundred twenty-two point sixty-seven (422.67), four hundred twenty-two point sixty-eight (422.68), four hundred twenty-two point sixty-nine (422.69), subsection one (1), and four hundred twenty-two point seventy (422.70) through four hundred twenty-two point seventy-five (422.75) of the Code, consistent with the provisions of this Act, shall apply with respect to the taxes authorized under this Act, in the same manner and with the same effect as if the hotel and motel taxes were retail sales taxes within the meaning of those statutes. Notwithstanding the provisions of this paragraph, the director shall provide for only quarterly filing of returns as prescribed in section four hundred twenty-two point fifty-one (422.51) of the Code. Further, the director may require all persons as defined in section four hundred twenty-two point forty-two (422.42) of the Code, who are engaged in the business of deriving gross receipts subject to tax under this Act, to register with the department.

Sec. 2. NEW SECTION. LOCAL TRANSIENT GUEST TAX FUND.

1. There is created in the office of the treasurer of state a local transient guest tax fund which shall consist of all moneys credited to such fund under section one (1) of this Act.

2. All moneys in the local transient guest tax fund shall be remitted at least quarterly by the treasurer of state, pursuant to rules of the director of revenue, to each city in the amount collected from businesses in that city and to each county in the amount collected from businesses in the unincorporated areas of the county.

3. Moneys received by the county or city from this fund shall be credited to the general fund of such county or city, subject to the provisions of subsection four (4) of this section.

4. The revenue derived from any hotel and motel tax authorized by this Act shall be used as follows:

a. Each county or city which levies the tax shall spend at least fifty percent of the revenues derived therefrom for the acquisition of sites for, or constructing, improving, enlarging, equipping, repairing, operating, or maintaining of recreation, convention, cultural, or entertainment facilities including but not limited to memorial buildings, halls and monuments, civic center convention buildings, auditoriums, coliseums, and parking areas or facilities located at those recreation, convention, cultural, or entertainment facilities or the payment of principal and interest, when due, on bonds or other evidence of indebtedness issued by the county or city for those recreation, convention, cultural, or entertainment facilities; or for the promotion and encouragement of tourist and convention business in the city or county and surrounding areas.

b. The remaining revenues may be spent by the city or county which levies the tax for any city or county operations authorized by law as a proper purpose for the expenditure within statutory limitations of city or county revenues derived from ad valorem taxes.

c. Any city or county which levies and collects the hotel and motel tax authorized by this Act may pledge an amount not to exceed thirty percent of the revenues derived therefrom to the payment of bonds which the city or county may issue for one or more of the purposes set forth in paragraph a of this subsection. Any revenue pledged to the payment of such

bonds may be credited to the spending requirement of paragraph a of this subsection.

Approved June 14, 1978

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## CHAPTER 1145

### TAX EXEMPTION CLAIMS FILED BY SPOUSE

S. F. 2194

AN ACT permitting spouses of persons eligible to claim a homestead credit or military service exemption to make and collect such claim for them and making certain provisions of the Act retroactive.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section four hundred twenty-five point two (425.2), unnumbered paragraph one (1), Code 1977, is amended to read as follows:

Any person applying for homestead tax credit shall each year on or before July 4 first deliver to the assessor, on forms furnished by the assessor, a verified statement and designation of homestead as claimed. The assessor shall return said statement and designation on July 2 second of each year to the county auditor with a recommendation for allowance or disallowance endorsed thereon. In case the owner of the homestead is in active service in the armed forces of this state or of the United States, or is sixty-five years of age or older, or is disabled, such statement and designation may be signed and delivered by any member of the owner's family. In all cases where the owner of the homestead is married, the spouse may sign and deliver the statement and designation. The commissioner of social services or his the commissioner's designee may make application for the benefits of this chapter as the agent for and on behalf of persons receiving assistance under chapter 249.

Sec. 2. Section four hundred twenty-five point two (425.2), unnumbered paragraph two (2), Code 1977, is amended to read as follows:

Any person sixty-five years of age or older or any person who is disabled may request, in writing, from the appropriate assessor forms for filing for homestead tax credit. Any person sixty-five years of age or older or who is disabled may complete the form, which shall include a statement of